



STAFF REPORT

Meeting Date: January 28, 2014

Study Session

Agency: City of Belmont

Staff Contact: Carlos de Melo, Community Development Department, (650) 595-7440
cdemelo@belmont.gov

Agenda Title: Presentation of Economic & Housing Assessment (ECHO) Phase II Belmont Case Study

Agenda Action: Motion to Direct Implementation of Case Study Recommendations

Recommendation

Receive a presentation regarding Belmont's Economic & Housing Assessment (ECHO) Phase II Case Study and provide direction to accept and implement the case study recommendations.

Background/Analysis

Belmont received a grant in 2011 that funded completion of this study and associated recommendations for the Belmont Villages area (See Attachment A). Belmont's Case Study was sponsored by the Grand Boulevard Initiative (GBI), which is a coalition of the cities, counties, and other stakeholders along El Camino Real. The GBI does not set policy, but rather provides a forum for jurisdictions along the corridor to coordinate policy.

The ECHO II case study recommendations provide context for the on-going efforts to review and complete the Belmont Villages Project. The authors of the case study, Strategic Economics and Friedman Tung Sasaki (FTS), will be making the presentation at tonight's Council meeting; a similar presentation was made (and well received) by the Planning Commission in October 2013.

As requested above, staff recommends the Council provide feedback on the case study and direct staff to incorporate the recommendations into policy documents for the Belmont Villages Project and other downtown Belmont revitalization efforts. As a first step towards implementation of the case study recommendations, the City Council will be considering another item on tonight's agenda. This item requests authorization to submit a grant application to the San Mateo City/County Association of Governments (C/CAG) for funding to complete a precise planning effort of the Belmont Villages Priority Development Area that will specifically look at development implementation strategies.

Subsequently at the February 11, 2014 meeting, the City Council will receive a comprehensive update on the Belmont Villages Project components (i.e. General Plan Element, Zoning, and Design Guidelines) and will be asked to confirm/authorize direction to staff for completion of those long range planning efforts.

Alternatives

1. Provide alternative direction regarding the Case Study recommendations.
2. Continue the matter to address questions, and/or requested information.
3. Take no action.

Attachments

- A. Grand Boulevard Initiative Economic & Housing Assessment (ECHO) Phase II – Belmont Case Study Recommendations
- B. Case Study Presentation (PowerPoint Slide Show)

Fiscal Impact

- ☒ No Impact/Not Applicable
- ☐ Funding Source Confirmed:

Source:

- ☐ Council
- ☒ Staff
- ☐ Citizen Initiated
- ☐ Other

Purpose:

- ☐ Statutory/Contractual Requirement
- ☒ Council Vision/Priority
- ☐ Discretionary Action
- ☒ Plan Implementation

Public Outreach:

- ☒ Posting of Agenda
- ☐ Other

MEMORANDUM

Date: May 20, 2013

To: Carlos de Melo, City of Belmont
Ronny Kraft, SamTrans

From: Strategic Economics and Freedman, Tung and Sasaki

Project: Grand Boulevard Initiative Economic and Housing Assessment Phase II Case Study

Subject: Belmont Case Study Recommendations

INTRODUCTION & BACKGROUND

The City of Belmont has undertaken several initiatives over the past decade to create a lively, pedestrian-oriented downtown. In 2011, seeing value in obtaining outside assessment of the physical, financial and regulatory challenges associated with their efforts, the City applied to participate in the Grand Boulevard Initiative's (GBI) Economic and Housing Opportunities Assessment Phase II (ECHO II) Case Study process. These case studies are being completed as part of a U.S. Department of Transportation TIGER II planning grant received by the GBI. Lessons learned from the case studies will be integrated into an implementation guidebook for the entire El Camino Real corridor.

The goal of the case study is to identify the opportunities and barriers faced by the City in attracting new mixed use development to the City's downtown, and to recommend policies and strategies that can help the City advance its vision. The case study area was defined as a 60 acre area centered on the Ralston Avenue and El Camino Real intersection (Figure 1). To address the issues raised in the case study application, the consultant team completed an existing conditions analysis, a real estate market study and a policy audit of the draft Belmont Village Zoning regulations, as well as site visits, meetings with City staff and community outreach events. This memo synthesizes the findings of the prior analyses into key recommendations for the City.

The remainder of this introductory section describes Belmont's downtown planning efforts and summarizes the challenges identified by the City. The second section of the memo summarizes the existing conditions analysis, market study and policy audit. The analyses from these case study tasks are then distilled into key findings. The final section of the memo makes recommendations for next steps the City could take to continue its work in implementing the community's long-standing vision for the downtown.

The History of Belmont's Downtown Revitalization Initiatives

The City of Belmont has taken several approaches to redeveloping its downtown over the past decade. It is interesting to note that even as conditions have changed and the City has tried different approaches to revitalizing the downtown, many of the elements of the community's basic vision for its downtown have remained consistent over the years.

Vision Statement and Economic Development Strategy

The City's Vision Statement, adopted in 2003, articulates the importance of a town center that provides community gathering places as well as local shops and restaurants. The same year, the City developed an Economic Development Strategy that identifies the Ralston/El Camino Real/Old County Road intersection as an opportunity area and sets a goal to develop this location as a "vibrant and active downtown" with pedestrian friendly streets and a more attractive environment for shopping, dining and strolling. The document also establishes a goal of attracting apparel stores, specialty goods stores and upscale restaurants. In addition to retail, the economic development strategy recommends higher-density mixed use projects along Ralston Avenue and El Camino Real, with retail, office and residential uses.

Economic Development Target Sites

Since 2007, the City's Economic Development activities in the downtown area have focused on several target development sites—Firehouse Square, Emmett's Plaza and Belmont Station and Hill Street. Prior to its dissolution, economic development activities were led by the Belmont Redevelopment Agency, which held authority in the Los Costanos Redevelopment Area. Properties acquired by the Redevelopment Agency in Firehouse Square, Emmett's Plaza and Hill Street are now owned by the City of Belmont as the Successor Agency. Please see page 4 for a map of target sites.

Belmont Village Zoning

To encourage higher density, mixed use development in its downtown core, the City of Belmont is developing new Belmont Village Zoning (BVZ) development standards that will apply to an area that roughly corresponds to the case study area. The stated goal for the zoning policy is to "facilitate sustainable development of a vibrant downtown, while ensuring that the Village maintains and strengthens its unique character, historic roots and human scale." The regulations for the Belmont Village Zoning District will replace the City's 1990 Downtown Specific Plan. BVZ development standards and design guidelines are currently being reviewed by a committee composed of elected and appointed city officials, members of the business community, and representatives from the surrounding neighborhood associations.

Ralston Avenue Traffic Study

The Department of Public Works began a traffic study of the Ralston Corridor in 2012. The goal of the study is to develop recommendations to improve multi-modal operations along Ralston Avenue, with particular attention to the needs of pedestrians and cyclists, including both operational and capital improvements. The data collection, analysis and community engagement process are expected to take place in 2013.

Regional Planning Efforts

In addition to the current Grand Boulevard Initiative, the City of Belmont participated in several prior regional planning efforts that focused attention on Belmont's downtown. In 2003, the City worked with Project for Public Spaces on a plan for the Belmont Caltrain Station Area as part of the Peninsula Corridor Plan, a countywide effort led by the San Mateo County Economic Development Association (Samceda), the County of San Mateo and SamTrans. In 2006, the City participated in Transforming El Camino Real, an early effort of the Ground Boulevard Initiative that recommended

capital improvements such as pedestrian crossings and streetscape features on El Camino Real in the vicinity of Belmont's downtown and transit station.

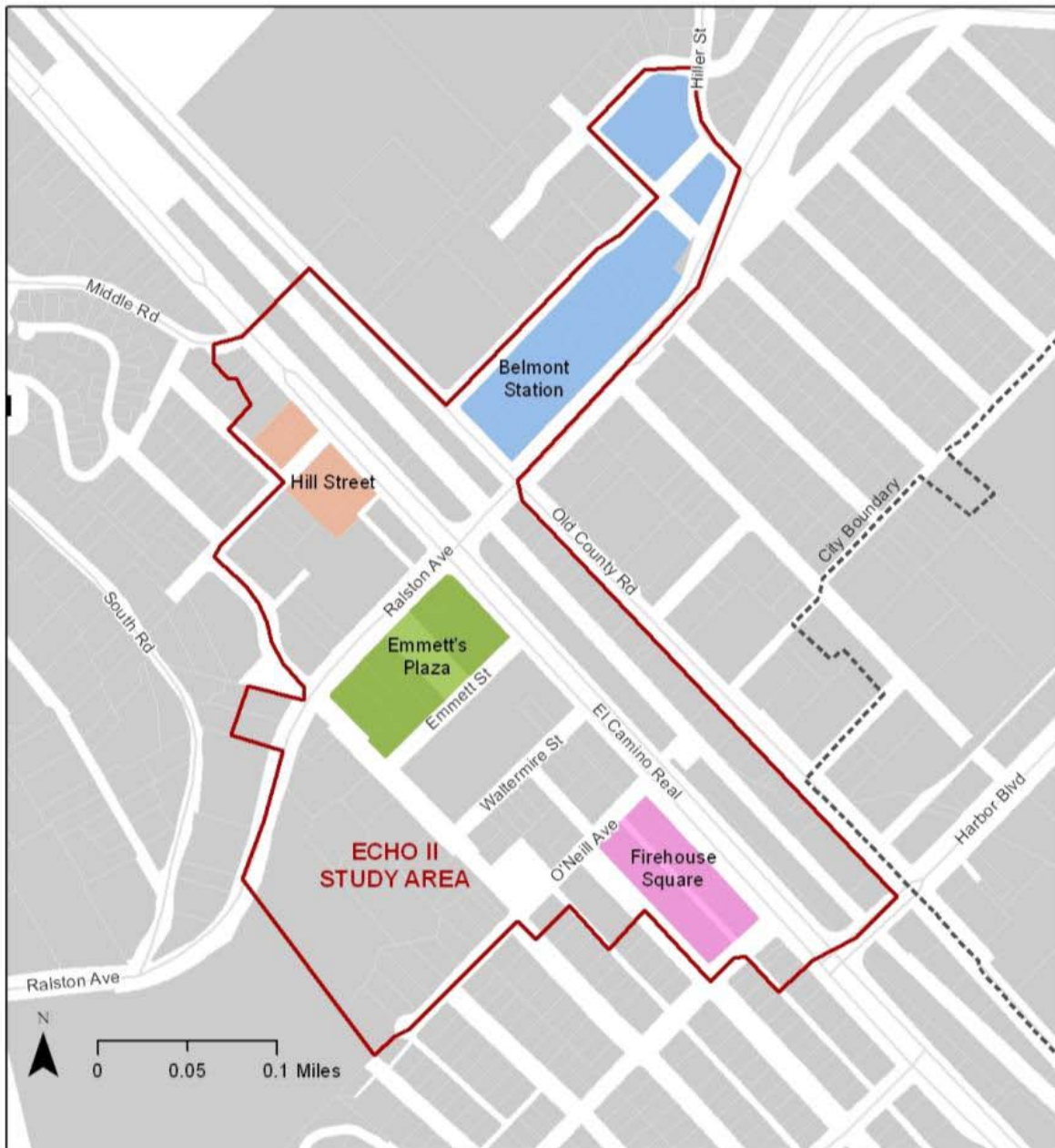
Recurring Challenges

Belmont's ECHO II case study application observes that, despite numerous City efforts, significant redevelopment of the corridor has been hindered by physical, financial and regulatory challenges. The key challenges identified in the City's application are summarized below.

- *Parcel ownership* is fragmented among multiple owners, and many parcels are small and irregularly subdivided. These circumstances make it unlikely that large-scale redevelopment can take place without consolidation of properties.
- *Infrastructure costs*. To enable intensification of development in the downtown core, the City will also need to finance infrastructure improvements, especially for the stormwater management system.
- *Fiscal concerns* place a high value on the City's limited supply of commercially zoned land, resulting in resistance to allowing housing in commercial districts.
- *Zoning restrictions*. Prospective property owners and developers may be deterred by the restrictive nature of Belmont's existing zoning policies. The Belmont Village Zoning regulations are an attempt to address this issue.
- *Community and political support* of new development is a critical factor in Belmont. In the past, community and political sentiment has resisted building heights above three stories.

As expressed in the City's case study application, it is hoped that the ECHO II case study will help to facilitate new discussion, stimulate creative solutions, and build support for additional City efforts focused on the downtown.

Figure 1. Map of Belmont Study Area and Economic Development Target Sites.



Sources: City of Belmont, 2012; San Mateo County Assessor's Office, 2011; Strategic Economics, 2012.

SUMMARY OF CASE STUDY ANALYSES

The case study consisted of the following elements:

1. An existing conditions analysis that looked at development patterns in the study area and identified sites with high potential for change.
2. A real estate market study that assessed the supply of and demand for retail, residential and office uses in the study area.
3. A policy audit of the draft Belmont Village Zoning that evaluated how effectively the regulations implement the City's vision and goals for the study area.

This section summarizes the analysis from each case study task.

1. Existing Conditions

Many of the existing conditions described below are consistent with those noted in prior studies. These existing conditions are essential to understanding the strengths, challenges and future potential of the study area.

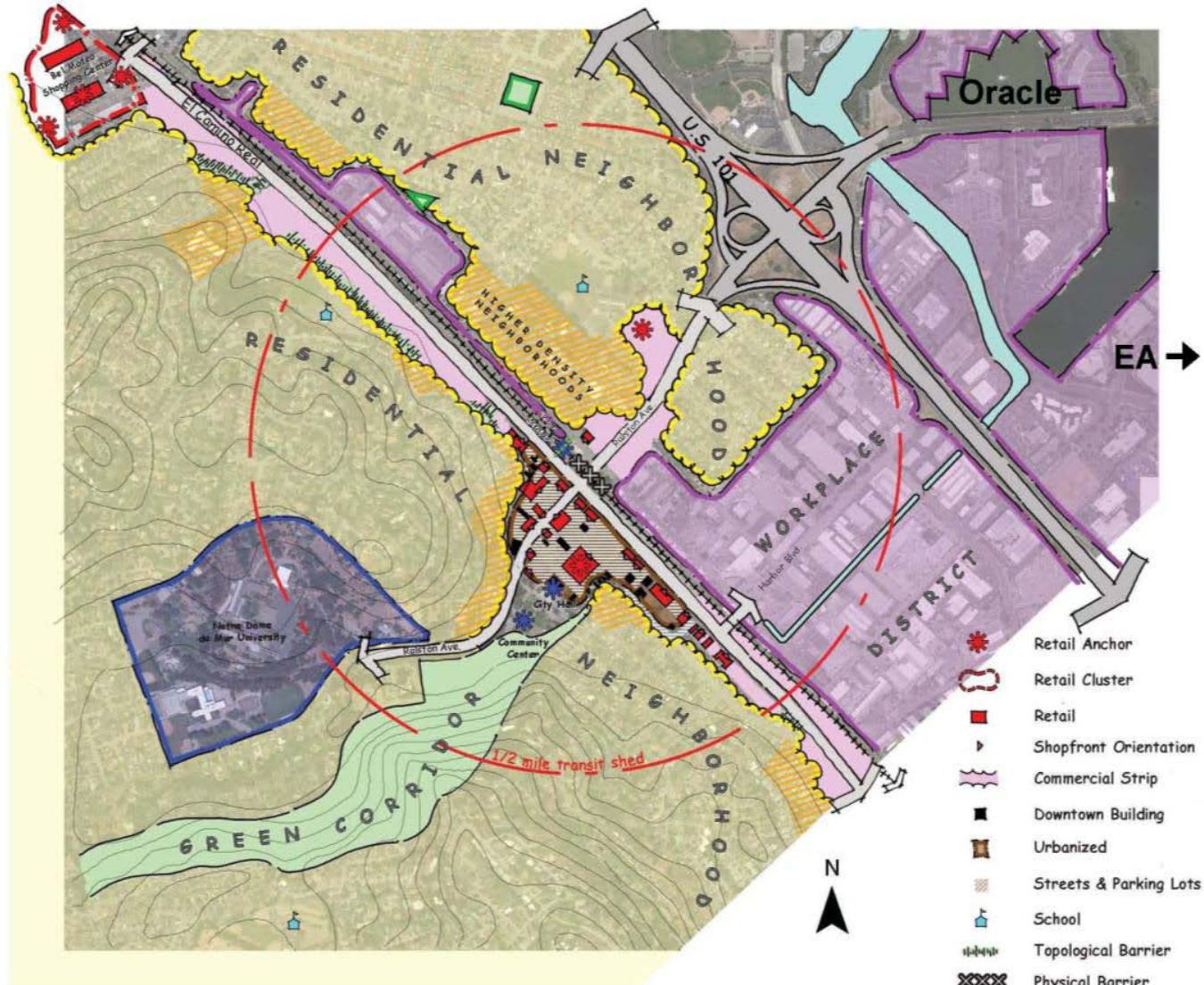
El Camino Real and the Caltrain railroad tracks create a barrier between the east and west portions of the study area. Although the study area and the Belmont Village Zoning districts are defined to include the Belmont Station target site on the east side of the railroad tracks, the site is physically isolated from the rest of the study area. Even the Caltrain Station is somewhat isolated from the downtown core by El Camino Real. Because the railroad tracks are on the east side of the street, there is no development on that side of the street, making for one-sided retail activity, which is typically less desirable than a two-sided retail street. Pedestrian crossings on El Camino Real are limited to Ralston Avenue and O'Neill Avenue.

The built form in the study area is auto-oriented and dominated by surface parking lots. Belmont's downtown consists primarily of several small shopping centers that were built in the post-World War II era. Reflecting the prevalence of the car as the primary mode of household transportation during the time when this area was developed, the design of these shopping centers is optimized for automobile access. Most stores do not face onto the street, but onto parking lots. This pattern contributes to the scattered nature of retail activity. Heavy, fast-moving traffic on Ralston Avenue and El Camino Real also discourages pedestrian activity in the study area.

The study area lacks a clear focal point of activity. Although downtown Belmont is relatively small, retail businesses are distributed among small disconnected shopping centers and stand-alone strip retail, so there is no visually cohesive area that encourages people to "park once" and walk to multiple destinations within the area, or to linger and browse at other shops after completing errands. The Safeway grocery store performs the function of retail anchor, but there are no shops directly adjacent to Safeway that benefit from grocery store foot traffic. Caltrain ridership at Belmont Station is currently too low to provide a significant node of activity.

There is no housing in the study area. The study area borders low-density residential neighborhoods to the north and south. There are also some medium-density multi-family residential projects near the study area, on the east side of El Camino Real north of the Belmont Station target site, and on the north side of Ralston Avenue west of Sixth Avenue. But, there are no housing units immediately in the downtown area that could provide additional support to the existing retail activities.

Figure 2. Existing Conditions in the Study Area and Surrounding Neighborhoods



Source: Freedman, Tung + Sasaki, 2012.

2. Real Estate Market Conditions

The market study provides insight into downtown Belmont's real estate potential and indicates how well the City's vision for the downtown matches up with the market realities. Understanding these market forces is critical to realizing the community's objectives for downtown, as ultimately it is private sector developers whose investments will drive downtown transformation.

Belmont's market opportunities are determined in large part by the City's location and identity within the surrounding region. Like many other communities on the San Francisco Peninsula, Belmont benefits from proximity to Silicon Valley jobs. The city is primarily a residential community, providing an appealing home base for professionals and families seeking safe neighborhoods, natural surroundings and a small town character. While Belmont is an affluent community, the city does not have clear differentiators from other cities in the region that could help attract major retail development to the downtown.

Retail performance is strongest on the west side of El Camino Real near Ralston Avenue. This high-visibility, high-traffic intersection is an attractive location for retail. Retail spaces on the east side of the Caltrain railroad tracks have lower visibility and traffic. In general, rents drop off quickly with distance from the El Camino Real/Ralston Ave intersection in all directions.

The existing supply of retail businesses in downtown are well-matched to local demand in terms of mix, but the total supply slightly exceeds demand. Based on the amount of retail and type of tenants, downtown Belmont can best be described as a grocery-anchored neighborhood center. Businesses in this type of retail cluster or district serve the local population and benefit from high household incomes and do not typically draw shoppers from a large trade area. Demand for local-serving retail in Belmont is limited by the relatively small number of housing within close proximity to the downtown, a small daytime population (employment base) in the downtown, and proximity to other retail clusters in the area. Households in the region are already well-served by regional shopping and entertainment destinations within a few miles of Belmont in San Mateo and Redwood City, as well as slightly farther afield in Burlingame and Palo Alto.

Belmont's residential market is strong. In general, demand for housing is strong throughout the region, and Belmont, with its proximity to Silicon Valley jobs, schools, and pleasant small-town atmosphere, is no exception. There is likely to be developer interest in building new residential projects, particularly for the ownership market.

3. Belmont Village Zoning Policy Audit

The policy audit provides an evaluation of how well the Belmont Village Zoning regulations reflect the City's vision for the study area and the degree to which the policies are aligned with the consultant team's analysis of the study area's market strengths.

The draft Belmont Village Zoning contains regulations that address many of the community's goals. The zoning includes form-based regulations that create standards for building bulk, articulation, length and other aspects of built form. The regulations also allow higher FAR and a greater mix of uses than in the current zoning. For example, most of the BVZ area allows housing on upper floors where residential uses have not previously been permitted.

Although there are four Belmont Village zoning districts, there is little distinction between the standards for these districts. The zoning document establishes four districts:

- V-2 Village Pedestrian Core
- V-3 Mixed-Use Corridors.
- V-4 Service Commercial
- V-R Residential Mixed Use

Each of these districts is intended to create a different type of place. For example, V-2 Village Pedestrian Core is intended to be the hub of retail activity, while V-3 Mixed Use Corridors accommodates uses not allowed in the downtown core, such as offices on the ground floor and housing on upper floors. However, a comparison of the land use and development standards for these districts reveals many similarities between the districts. All four districts have the same maximum heights, density standards, parking standards and building coverage requirements. The lack of differentiation between these districts is inconsistent with the variation in land uses, development patterns and retail market performance throughout the study area.

The ground floor land use requirements may be overly restrictive. All districts except for the V-R Residential Mixed Use district require commercial uses (retail, office or professional services) on the ground floor. It may be appropriate to require ground floor retail uses in the Village Pedestrian Core district, but requiring ground floor commercial uses outside of the downtown core may perpetuate the existing diffuse pattern of retail and detract from the creation of a concentrated hub of activity. In contrast, ground floor multi-family housing is only permitted by-right in the Village Residential Mixed Use District, which covers only a small portion of the BVZ area. Given that housing represents one of the strongest real estate opportunities in Belmont, this constraint may discourage new investment in the study area.

The role and design of streets is not sufficiently addressed. The BVZ regulations do not provide strong guidance on how the streets should contribute to the downtown environment, perhaps reflecting the fact that a streetscape plan does not exist. Whereas a streetscape plan would provide an opportunity for the City to establish different functions and design standards for different types of streets, the current BVZ street design requirements do not distinguish between major thoroughfares, pedestrian-oriented retail streets and neighborhood streets. For example, minimum sidewalk widths are the same for all streets, regardless of the expected amount of pedestrian activity.

CASE STUDY FINDINGS

This section synthesizes the case study analyses to hone in on the key constraints, challenges and opportunities in the study area. The identification of these factors enables the recommendations in the final section to acknowledge obstacles and leverage strengths of the study area.

Finding 1: There are Market Limitations on New Development in the Study Area

Existing development patterns and market conditions define the immediate development potential of downtown Belmont. These market and investment realities provide the context in which the City's downtown strategy must be framed.

Demand for additional retail space is limited. The market analysis indicates that there is insufficient market demand to support a significant increase in retail square footage in the study area, meaning that major new retail construction in the downtown is unlikely. The limited demand relative to supply can result in weak sales performance for existing stores, and make the area unattractive to

perspective retailers who might want to enter the area. Constraining retail supply and boasting retail performance will be important for strengthening the area's future retail offerings.

Fragmented parcel ownership complicates future opportunities for major reconfiguration of existing development. Achieving the community's goals by completely restructuring the downtown through a large scale redevelopment project is unrealistic given the size, location and ownership of opportunity sites and the strength of the local market. There is no single owner who can initiate a wholesale renovation of the downtown core. Instead, change will need to take place incrementally, taking advantage of market momentum, investments by existing property owners and strategic public investments. The significant number of surface parking lots in the downtown could also become key development sites over the long run, if parking can be otherwise accommodated and properly managed.

Finding 2: Better Alignment Between City Policy and Market Conditions Could Facilitate More Development in Downtown

Policy documents such as the BVZ could be better aligned with market forces to enable the City to take advantage of existing opportunities to strengthen existing retail activity, encourage new development and create a strong pedestrian environment.

Certain aspects of the City's current policy do not work well with market forces. In order for new development to occur, there must be market demand for the type of space that the study area is zoned for, and the City's development standards must allow building types that are financially feasible for developers. Although the proposed Belmont Village Zoning regulations do address some of the barriers to development by allowing higher density and mixed use development, there are still aspects of the regulations that are not well aligned with market forces. In particular, the regulations mandate vertical mixed use by requiring commercial uses on the ground floor in the majority of the study area, even though there may not be sufficient demand for commercial uses to justify this requirement. Mixed use building types are often less financially feasible for developers. Meanwhile, the regulations make it difficult to build purely residential housing, which is one of the development types likely to generate the most developer interest.

Community concern that increased building heights will damage Belmont's small town character must be clearly addressed through the BVZ and other City Policy documents. The Belmont community has consistently expressed a desire for new investment in the downtown core but also places a high value on preserving Belmont's small town character. Policies to ensure that new downtown development is compatible with existing development have historically limited building height to three stories or less. The new Belmont Village Zoning regulations increase allowable floor area ratio, but the maximum allowable height remains at three stories, with four stories allowed as an exception. The policy emphasis on height restrictions may inadvertently limit the downtown's opportunities for redevelopment, if smaller-scale building types are not financially feasible for developers. Instead, the community's objectives in preserving the character of downtown may be met by policy that focuses on design standards and building prototypes rather than building height, thus allowing buildings of sufficient scale to meet developers' financial needs. Form-based regulations may be more likely to produce the high quality urban design sought by the community, and ultimately, by encouraging development, the City will be more likely to achieve its overall goals for the downtown.

Finding 3: There are Some Excellent Opportunities for New Development in the Downtown

Despite market constraints, there are clear development opportunities that the City of Belmont can act upon to advance its goals for the downtown.

Belmont's downtown shopping district can be enhanced by improvements within the current retail footprint. Although the market would not support a significant increase in retail square footage, the City has an opportunity to work with businesses to strategically upgrade and/or reorganize downtown retail in a way that would increase the quality and performance of the downtown shopping experience. This can be accomplished by attracting new businesses to the pedestrian core, making strategic place-making investments, and providing incentives for private investment in locations that would collectively transform the downtown shopping environment.

The addition of housing units to the study area would enliven the downtown core. Given the strong residential market throughout the region, adding housing to the study area is a promising strategy to build a lively downtown neighborhood. The city is already home to a high share of single-person households, couples without children and individuals over 65; these are household types that are likely to value housing near transit and amenities. Downtown residents would contribute significantly to pedestrian activity and support local businesses. There are multiple locations throughout the study area that would be appropriate for residential development and that are too far from the intersection of Ralston Avenue and El Camino Real to be strong locations for commercial uses such as retail.

Consolidation of parking in the downtown core may free up additional sites for development. Private on-site parking in the study area is distributed throughout multiple lots. While convenient parking is important to retail businesses, individual parking lots and public on-street parking appear to be underutilized at certain times of day. Creating a parking district with shared parking for downtown businesses may enable more efficient use of parking spaces, while enabling property owners to redevelop their properties or infill existing parking lots with other more valuable uses.

The City can take charge of place-making and infrastructure improvements within the public right-of-way. Whereas development of private parcels requires the action of property owners, the City has authority to make sidewalks, street and public space improvements. In addition to traffic calming, landscaping and public seating, the City could also create a new central public open space in or near the downtown. These improvements can make the pedestrian experience safer and more pleasant, contribute to a sense of place, and attract additional private investment to the downtown.

Private redevelopment projects can catalyze change in the downtown. Although large-scale, master planned redevelopment of the downtown is unlikely, there are several sites where there seems to be potential for catalytic investments. Safeway is one of the largest tenants in the study area, occupying a full block between El Camino Real, Sixth Ave, Emmett Ave and O'Neill Ave, including a large surface parking lot. A Safeway redevelopment could create an opportunity to create new pedestrian walkways and public space, while bringing in additional businesses to increase the retail concentration in the core. Another potential redevelopment opportunity is Firehouse Square, where the City is currently in negotiations with a developer regarding a residential project.

CASE STUDY RECOMMENDATIONS

Belmont has organized a sustained and ambitious effort to revitalize its downtown. This effort has included visioning, property acquisition, outreach to developers and an in-progress zoning policy update. However, the path to implementation has not been straightforward. The city faces real

constraints related to existing conditions and market realities. Acknowledging and responding to market realities in the study area will help the city to develop a more realistic, implementable plan. In conjunction with best practice urban design and place-making strategies, a more specific and realistic set of strategies will enable Belmont to work with, rather than against, market forces to achieve the type of downtown that the community desires. However, in order for this to happen, it is important for the community to understand how market forces influence what is possible in Belmont and how best to use planning tools to realize their vision for downtown. The recommendations below are aimed at helping the City of Belmont build a stronger policy framework for future development, capitalize on existing opportunities and develop pro-active implementation strategies while taking into account the needs and objectives of individual property owners.

Recommendation 1: Establish a Path for Implementing the Community's Vision for Downtown by Linking this Vision to a Well-Defined Set of Opportunities and Constraints

While the community's overall vision for downtown is completely appropriate, any policies and tools focused on implementing this vision must take into account the limited size of the market that the downtown serves, and proximity to competing activity centers. By building on existing assets and focusing on areas where there is already market momentum, the City will be in a better position to attract investment and implement the community's vision.

Listed below are four ways in which the City's plan for the downtown can be better aligned with market forces:

- Recognizing that the study area will need to be redeveloped in phases, concentrate the City's initial efforts on activities that offer a high potential for near-term change based on existing conditions and market forces.
- Focus retail where there is existing momentum and discourage retail outside of the existing well-defined retail core. This includes reconsidering the ground floor retail requirement in places where heavy pedestrian traffic is not anticipated. Vertical mixed use buildings alone are not sufficient to create pedestrian activity; there needs to be a compact, walkable critical mass of retail with access and visibility to prospective customers for businesses to succeed.
- Given that the residential market provides the best opportunities for developer interest in downtown Belmont, strongly consider allowing housing as a permitted use on all floors (not just upper floors) in all areas of the study area outside the retail core. In the retail core, consider allowing housing on the upper floors.
- Allowing more residential development in the downtown while constraining the supply of retail space is likely to result in a stronger market for existing retailers, creating conditions that could lead to additional improvements in the retail core. A stronger market would encourage existing businesses to improve the quality of their offerings, encourage existing property owners to reinvest in their buildings or build new better quality buildings, and attract new retailers to enter the Belmont market.

In terms of timing, the above recommendations could be considered during the current review process for the draft Belmont Village Zoning regulations, or they could be integrated into a more extensive strategic planning process described in the recommendation below.

Recommendation 2: Complete A Downtown Strategic Planning Process

The City's Belmont Village Zoning process has already provided an opportunity for community discussion about desired land uses and building types for the downtown; however, the area could benefit from a higher-level planning effort focused on issues and activities that are outside the scope

of the zoning ordinance. Preparing a plan provides an opportunity to develop a more specific set of objectives for different subareas of the downtown, to establish priorities among different goals for the downtown, and to develop implementation strategies for aspects of the plan that require close collaboration between the public and private sector.

To address the challenges and opportunities in the study area, the planning process should include accomplish the following tasks:

- A. Develop geographically specific goals for downtown sub-districts
- B. Establish desired building prototypes through a community process that considers specific building prototypes and educates the public about effective tools for ensuring building quality while still allowing developers to build financially feasible buildings.
- C. Establish area-wide parking, streetscape and financing strategies

This planning process would not necessarily need to include a detailed land use plan and development standards, components which are already part of the BVZ—although the BVZ process could potentially be incorporated into this broader planning effort. Because the planning process will likely result in a clarification of goals, desired building types and physical characteristics for different areas of the downtown, some amendment of the BVZ regulations may be required at the end of the process.

Three key elements of the planning effort are described below.

A. Use A Community Planning Process Focused on Community Members, Downtown Business and Property Owners, and Elected and Appointed Policymakers

Although community members place an appropriately high value on maintaining Belmont's small town character, the best way to achieve this goal and attract new development is not necessarily straightforward. The various options and opportunities, including but not limited to the kinds of buildings allowed under the new BVZ ordinance, should be fully vetted with individual stakeholder groups so that all participants in the process understand the implications of different policy approaches, and the relative benefits of different types of public investment. Out of this process, a plan should emerge that has wide-scale buy-in from all of the necessary parties, and allows the City to move forward in a productive partnership with its private sector partners, who will bear most of the burden of implementing the community's vision.

This planning process can use the City's existing and well established vision for the Downtown as its starting point, but must also "connect the dots" between the on-the-ground realities of Belmont's downtown and the mechanisms available to implement the vision. This process of "connecting the dots" should provide a plan that both satisfies the community and makes it possible for private investment to move forward as individual property owners and investors are ready.

B. Develop Geographically Specific Goals for Sub-Districts

The Belmont community has reached consensus on the overall qualities it desires for its downtown, but there is a need for greater clarity on the desired physical characteristics for different sub-districts. The Belmont Village Zoning districts provide an excellent starting point for defining the different types of neighborhoods that comprise the downtown; however, in the current policy, there is not a substantial distinction between the development standards for the four districts.

Developing more specific and highly differentiated building types and other improvements for different parts of the downtown will have multiple benefits, including:

- Channeling activity-generating uses into the downtown core to create a focal point of activity,

- Guiding public and private investments in place-making; and,
- Attracting private investment by more clearly defining the locations of desired development types.

Several key issues that should be considered in defining the sub-districts include:

- Whether higher intensity development should be allowed in the downtown core or along major thoroughfares, compared to other portions of the study area.
- How streetscape and sidewalk design differ in the downtown core compared to outer portions of the study area.
- Where new gathering spaces should be located, and whether different types of gathering spaces are needed in different parts of downtown.

The following discussion presents place-specific strategies that the City of Belmont may want to pursue in different sub-districts of the downtown. These strategies are described below and the sub-districts are illustrated in Figure 3.

Pedestrian Activity Core

- Focus retail and pedestrian activity in the area between El Camino Real and Sixth Avenue, and from O'Neill Avenue to Ralston Avenue, including the properties with frontage along the north side of Ralston Avenue.
- Look for opportunities to develop a pedestrian shopping experience along the north-south axis of the core anchored by Walgreens and Safeway, but remain flexible to a variety of configurations that would accomplish the same goal.
- Consider incentives to encourage infill or redevelopment of properties with large surface parking lots.
- Implement traffic calming, sidewalk, streetscape, and public space improvements along Ralston Avenue and Emmett Avenue to distinguish this area as the focal point of activity for the downtown.

Downtown Transition Area Surrounding the Pedestrian Core

- Encourage residential development on blocks surrounding the pedestrian activity core to increase housing opportunities, support activity in the pedestrian core, and create a suitable "transition area" to adjacent residential neighborhoods.
- Improve connections with the City Hall and the Caltrain Station. Consider how City-owned property might accommodate an expanded Civic Center or infill with other "transition area" uses.

El Camino Real

- Distinguish downtown by encouraging urban development on properties facing El Camino Real.
- Coordinate with regional agencies to implement Grand Boulevard improvements along El Camino Real. The blocks approaching and along the edge of the pedestrian core can be differentiated as gateways with special sidewalks, streetlights, landscaping, and pedestrian amenities. However, compared to other streets in the pedestrian activity core, El Camino Real should be a lower priority for City-funded pedestrian improvements.

East of Railroad Tracks

- Plan for a longer-term transition of the area east of the Caltrain Station into a transit-oriented district with multi-family housing and office, and convenience uses that do not compete with the downtown activity core.

- Implement streetscape improvements on Ralston Avenue to improve the visual quality of this highly-trafficked thoroughfare and to support potential future transit-oriented development.

C. Establish Area-Wide Parking, Streetscape and Financing Strategies

Land use regulations and development standards are often the primary tools used by cities to shape development within their boundaries, but they are passive mechanisms. Belmont can also take a more active role in creating positive change in the downtown by formulating strategies to improve streetscape, consolidate parking and finance improvements. The implementation of these strategies is likely to require close collaboration between the public and private sector, making it vital that the City take the lead in creating frameworks for coordinating public and private efforts. Outreach to existing business and property owners during the planning process is critical to ensure that business and property owners are informed and supportive of the plan, and to identify how they might best contribute to the plan.

Downtown Parking Strategy

A district-wide parking strategy could enable more efficient use of parking in the downtown, while allowing underutilized surface parking lots to be redeveloped with higher value uses. The City can take the lead on developing a parking strategy by conducting a parking utilization study, evaluating parking needs relative to City requirements and developing a proposal for consolidating parking in the downtown core. The consolidation and reconfiguration of downtown parking could also promote pedestrian activity by making it more convenient for shoppers to park once and walk to multiple destinations.

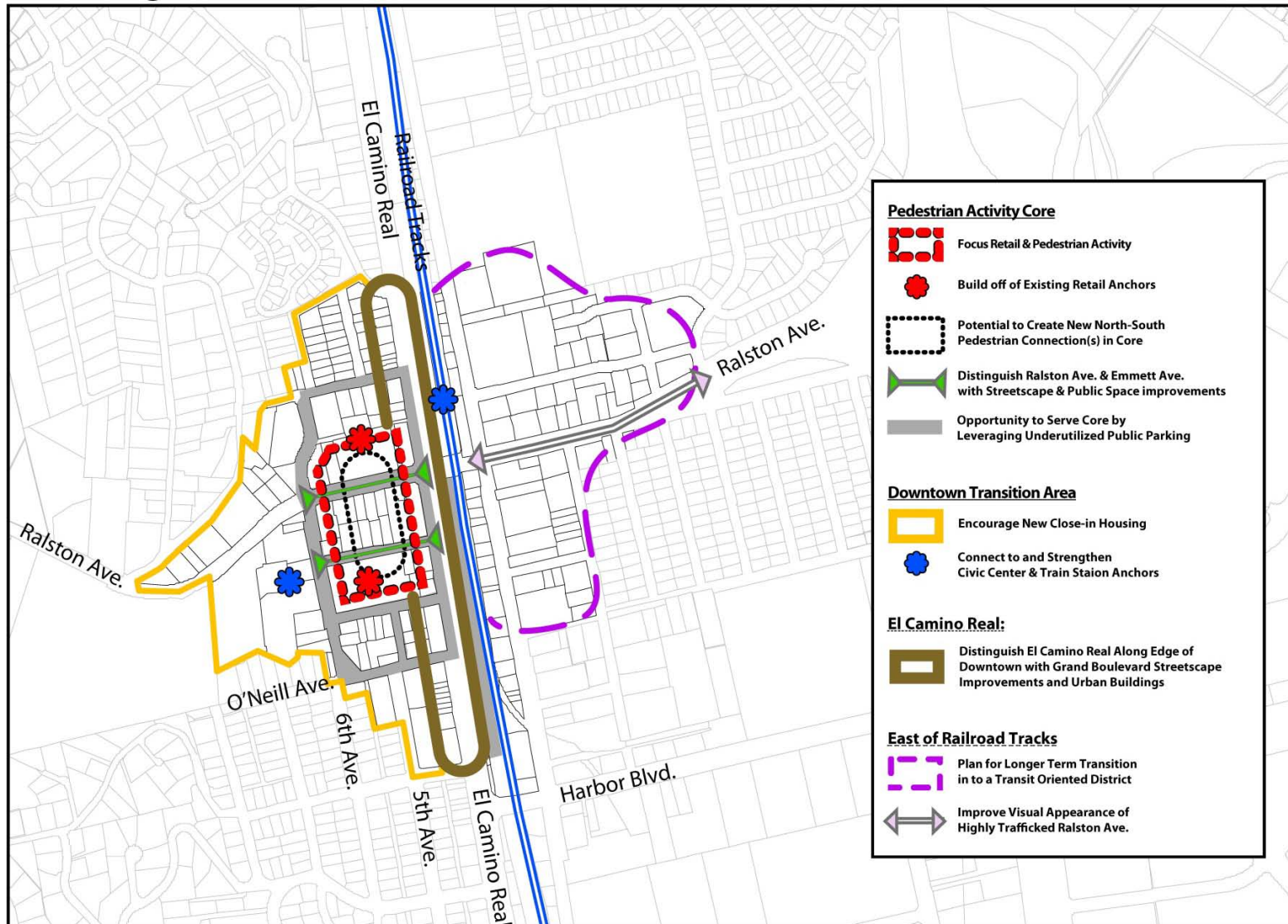
Streetscape Plan

Streets and streetscape play an important role in place-making and fostering pedestrian activity, and the City has a major opportunity to advance these goals for the downtown by creating a streetscape plan that establishes standards and guidelines for different types of streets, and identifies what street types are appropriate in different sub-districts. Sidewalk width, landscaping, street furniture, on-street parking, streetlight selection, and other details should match the envisioned character of the street, and support the overall vision for the neighborhood. This is particularly important for streets where pedestrian activity is a high priority, and major thoroughfares such as El Camino Real and Ralston Avenue.

By developing a plan for streetscape improvements, the City will create the means to coordinate incremental improvements from multiple property owners. Because streets are in the public right-of-way, the City is also in a position to put elements of the plan in place by funding streetscape improvements in key locations. These public investments may then catalyze additional investments by private property owners and developers.

Decisions about appropriate streetscape improvements should be informed by transportation studies that assess the trade-offs between pedestrian amenities and vehicular traffic flow on major thoroughfares. It appears that the City of Belmont is already making progress on this front; in late 2012, the City's Department of Public Works initiated a traffic study of the entire Ralston Avenue corridor. Analysis, recommendations and subsequent actions from this study should be coordinated with downtown revitalization efforts.

Figure 3. Conceptual Diagram of Downtown Sub-Districts and Corresponding Strategic Actions



Source: City of Belmont, 2012; San Mateo County Assessor's office, 2010 and 2011; Freedman Tung + Sasaki, 2013.

Financing Strategy

In order to implement improvements to parking, streetscape or infrastructure, the City will require a funding and financing strategy. Although city funds and direct private investment may be able to provide some of the desired improvements, the City will be in a better position to implement its plan if it is able to identify a range of potential funding sources and financing mechanisms. The process of developing a financing strategy will also require the City to assign priorities to the range of improvements desired within the downtown.

Some of the major mechanisms available to Belmont are described below.

Developer contributions are provided through several different mechanisms, including environmental impact mitigation measures, development impact fees, and community benefits programs. Impact fees ensure that new development pays for certain costs associated with accommodating the development but cannot be used to fund existing deficiencies in infrastructure.

Special assessment districts are special taxing districts in which property owners agree to pay an additional assessment in order to fund specific improvements or services within a defined geographic area. A Business Improvement District (BID) or Property-Based Improvement District (PBID) is a type of special assessment district that assesses and provides benefits to either business owners (in a BID) or commercial property owners (in a PBID). BIDs and PBIDs can be used to pay for a wide range of activities, including parking facilities, street and streetscape improvements, lighting and landscaping, marketing and promotions, and business attraction and retention.

Grant funds are distributed on a competitive basis by various federal, state and regional programs for public improvement projects. For example, the City of Belmont may be able to apply for federal transportation funds through the OneBayArea Grant program to make local improvements for bicycle and pedestrian facilities in the downtown.



GRAND BOULEVARD INITIATIVE

Downtown Belmont ECHO II Case Study

City Council Presentation

January 28, 2014



Dena Belzer, President
Strategic Economics

Outline



- What is the Grand Boulevard Initiative?
- What is ECHO II?
- Belmont case study purpose & approach
- Case study findings & recommendations
- Next Steps

The Grand Boulevard Initiative

The Grand Boulevard Initiative is a regional collaboration of stakeholders united to achieve a shared vision for El Camino Real

GBI is a “coalition of the willing” that coordinates, but does not set, policy



SAMCEDA

San Mateo County
TRANSIT DISTRICT

C/CAG

Joint Venture
SILICON VALLEY NETWORK

The Grand Boulevard Vision

The GBI vision is generally consistent with Belmont's vision for a walkable, pedestrian-friendly downtown with community gathering places, local businesses and a mix of uses.

Walkable,
Mixed Use



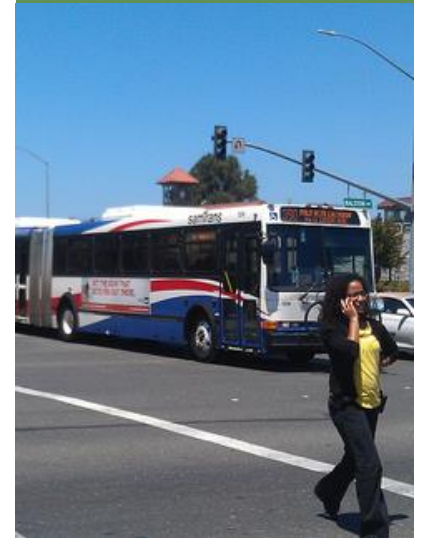
Land Use
Intensification



Complete
Streets



Enhanced
Transit Service



Economic & Housing Opportunities (ECHO) Assessment

- ECHO I: Made the case for transformation of the corridor through infill development
- ECHO II: Removing barriers to implementation
 - Case Study Selection Process
 - Cities applied to participate and were selected through a competitive process
 - Four selected cities: Belmont, Mountain View, Daly City and South San Francisco
 - Final Products
 - Case study report for each city with key findings for that community
 - An implementation guidebook for all GBI members based on “lessons learned” from case study findings
 - Funded by TIGER II Grant (U.S. Department of Transportation)



Belmont Case Study

The City of Belmont applied to participate in ECHOII to advance its downtown goals.

Issues

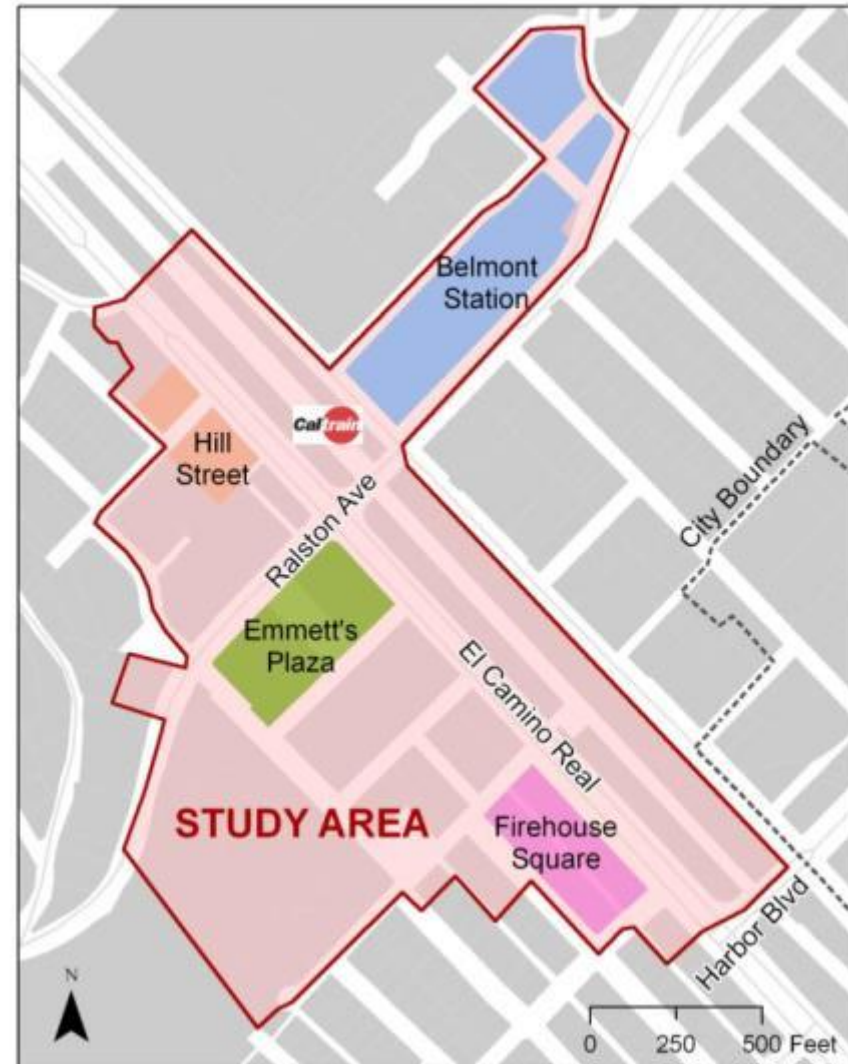
- Property acquisition and consolidation
- Aging infrastructure and associated costs
- Regulatory barriers in existing zoning

Work Products

- Existing conditions analysis
- Real estate market analysis
- Policy audit of Belmont Village Zoning

Outcomes

- Identify key opportunities and barriers
- Recommend policy & implementation strategies
- Help the City move its vision forward



Source: City of Belmont, 2012; Strategic Economics, 2012.

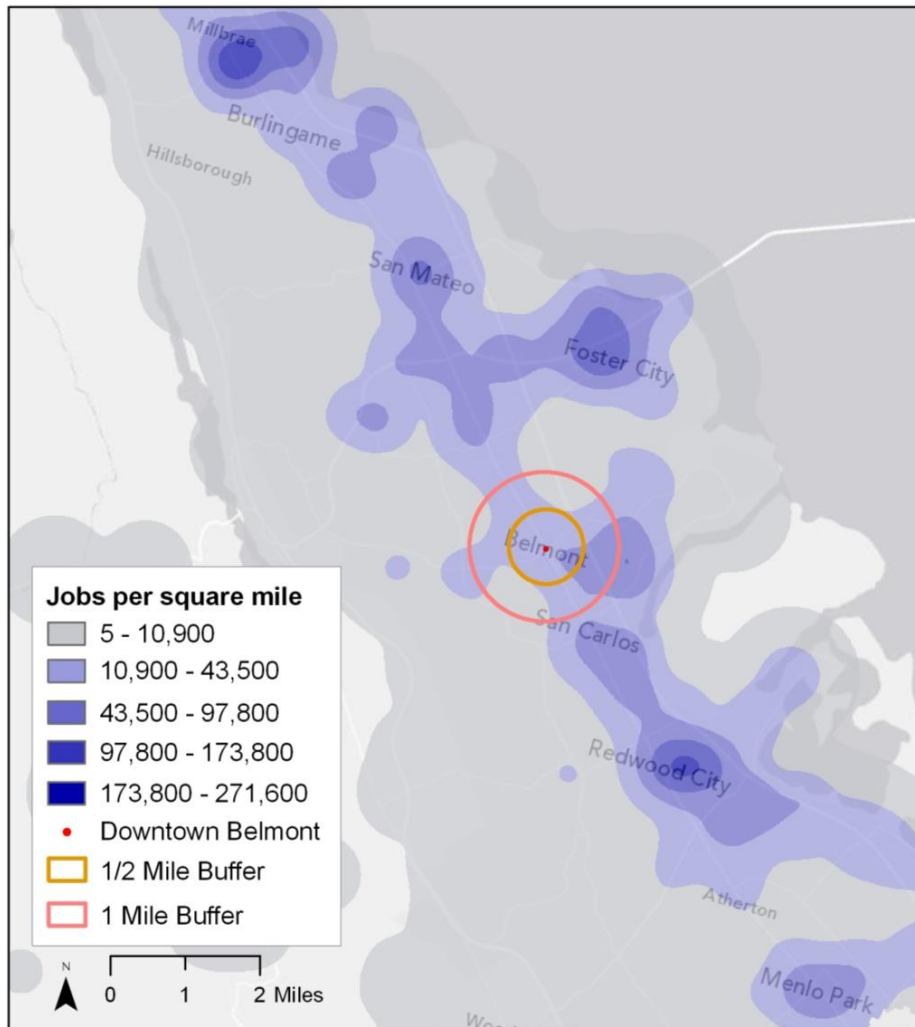


Summary of Technical Analysis

Downtown Belmont ECHO II Case Study

The Big Picture

Job Density in San Mateo County



Source: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program, 2010.

Belmont's development opportunities are determined by its location and identity within the region.

Belmont's key attributes:

- Small, affluent residential community
- Proximity to Silicon Valley jobs

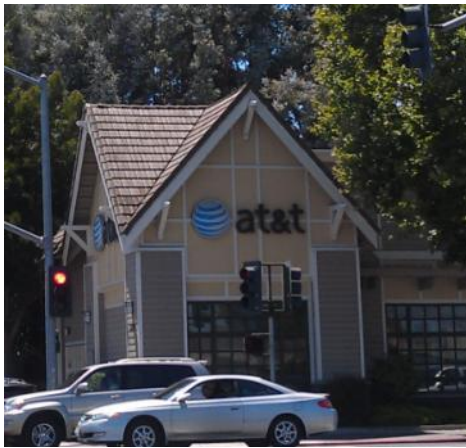
Existing Conditions in the Study Area



Existing physical conditions present opportunities and constraints for Downtown Belmont.

- Small-town character
- Lack of clear focal point
- “Shopping Center” format with abundance of surface parking
- Fragmented parcel ownership
- High traffic on Ralston Ave and El Camino divides the study area

Retail Analysis: Existing Supply



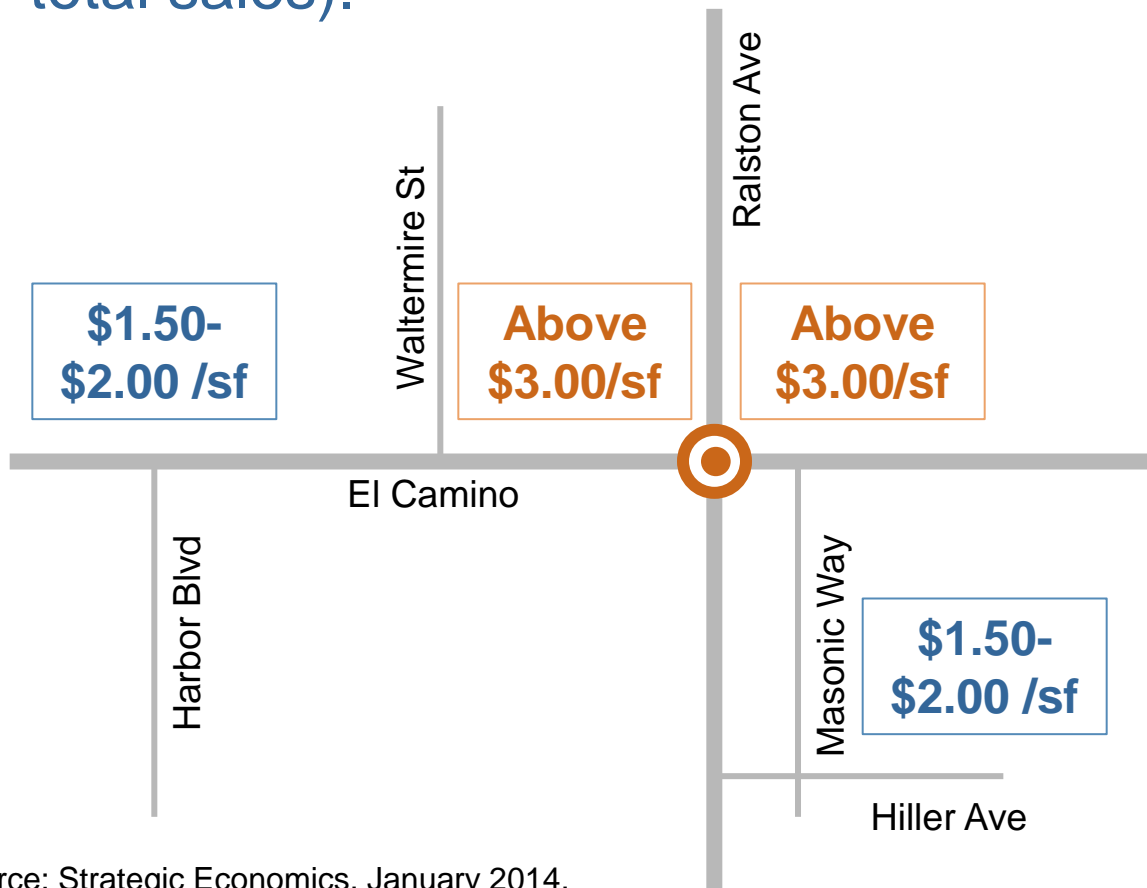
- Local-serving
- Convenience-oriented
- Dispersed among small shopping centers

Existing supply could be consolidated to provide a better shopping experience.

Local growth in businesses and housing could potentially fuel expansion of retail opportunities.

Retail Analysis: Performance

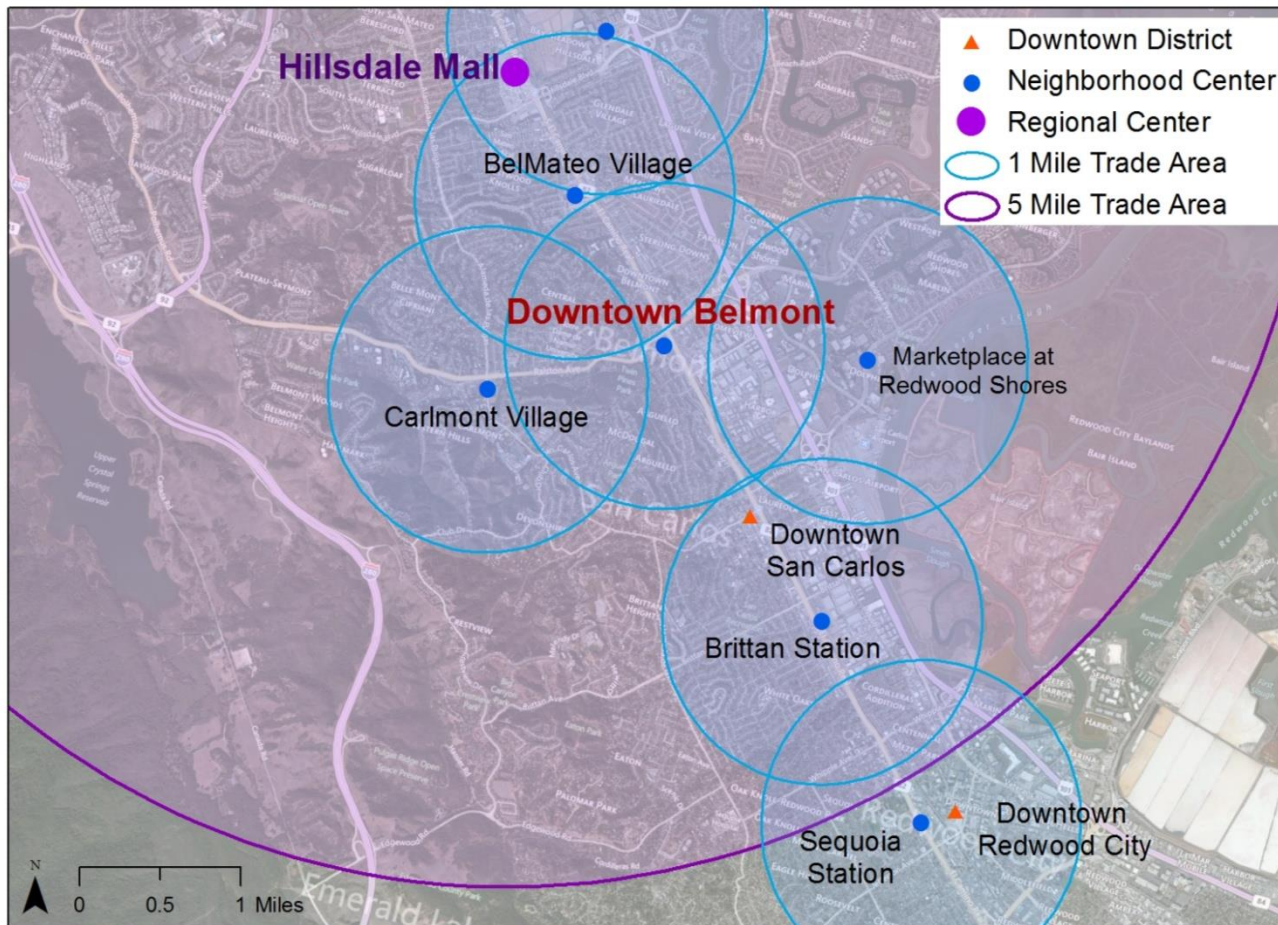
Retail performance is strongest on the west side of El Camino near Ralston Ave (rents are a “proxy” for total sales).



Rents drop sharply with distance from Ralston & El Camino.

Retail Analysis: Competitive Supply

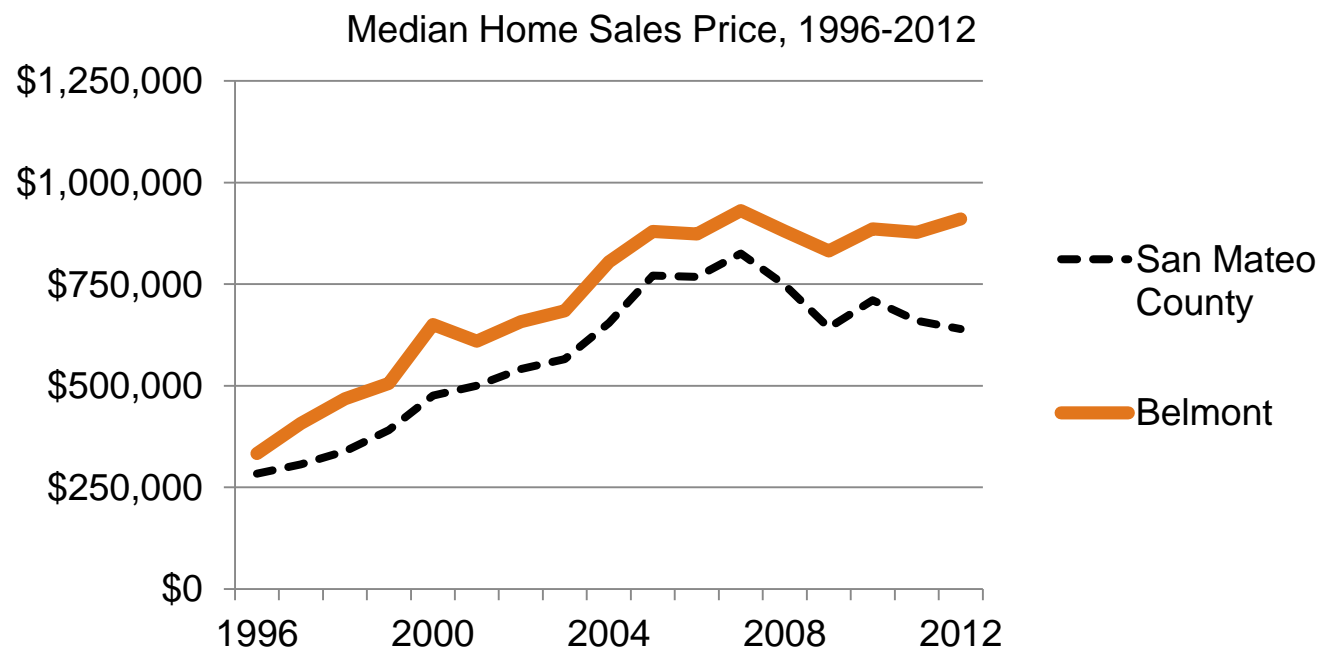
The study area is within the trade area of Hillsdale Mall, a major regional shopping destination.



Residential Analysis

Belmont's housing market is strong.

- High demand throughout the Peninsula region.
- Likely to be developer interest in new ownership projects.



Source: Zillow.com , 2012.

Policy Audit of Belmont Village Zoning

- Draft BVZ successfully addresses community's goals:
 - Removes prohibitive development regulations
 - Provides clear form-based development standards
- Recommendations:
 - Greater differentiation between downtown sub-districts
 - Allow housing on ground floor outside retail core



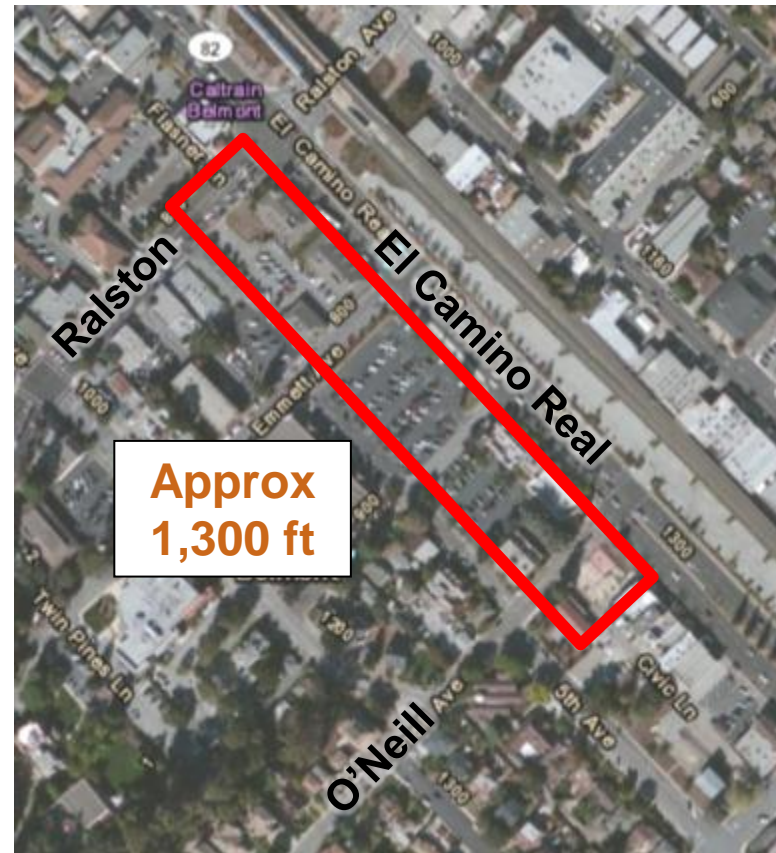
Planning for Pedestrian-Friendly Retail

Optimal retail district length is approximately 1,000 linear feet.

Castro Street in
Downtown Mountain View



Equivalent length retail strip in
Downtown Belmont



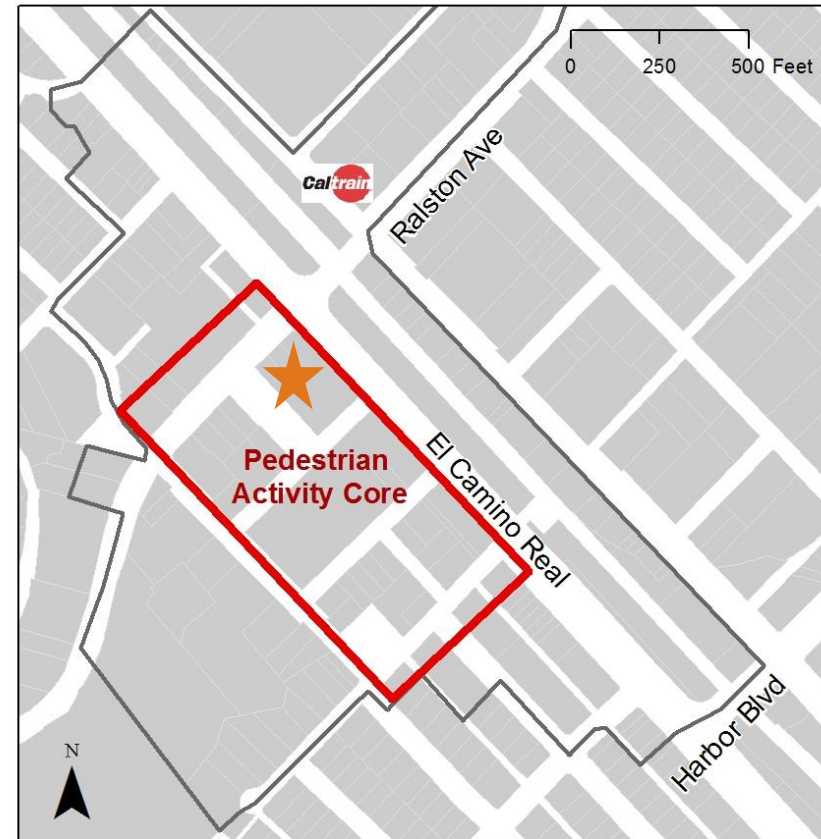


Case Study Recommendations

Downtown Belmont

Enhance Downtown Shopping Experience

- Focus retail to create a node of activity
- Build on momentum at SW corner of ECR & Ralston
- Work with existing business/property owners
- Consolidate parking to make it easier to “park-once”
- Strategic place-making improvements



Source: City of Belmont, 2013; Strategic Economics, 2013.

Add Housing Around Retail Core

- Adding households will bring vitality to the downtown neighborhood.
 - Support for local businesses
 - Increased pedestrian activity
- Belmont demographics suggest demand for compact housing near retail and transit
- New housing can enable a smooth transition between the downtown and adjacent single-family neighborhoods

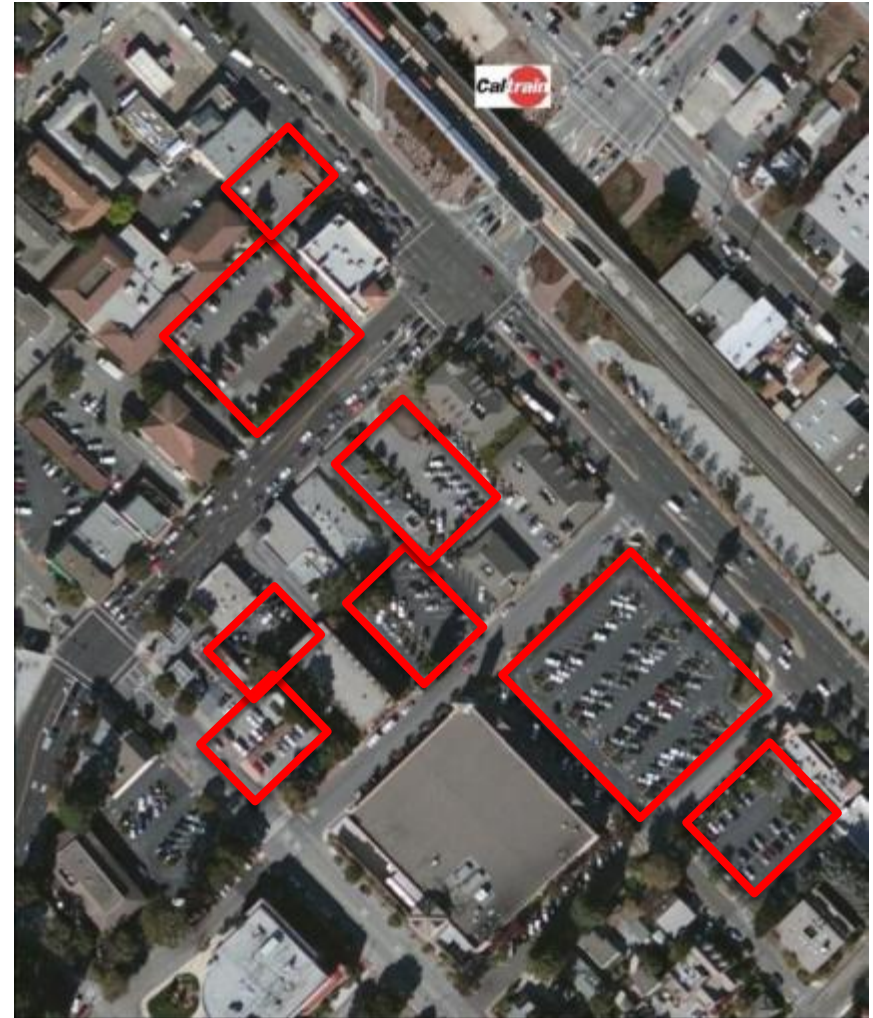


Stonegate condominiums in San Mateo



Consolidate Parking

- District-wide parking strategy enables more efficient use of space
- Underutilized lots can be redeveloped with higher value uses.
- Make it easier to “park-once” and walk to multiple destinations
- Promotes pedestrian activity



Surface parking lots in downtown core.

Case Study Conclusion



- There are **excellent opportunities** for revitalization of the downtown.
- Yet there are also **physical constraints and market limitations** on new development.
- **Better alignment between policy and market** conditions helps achieve the City's vision for a vibrant downtown and thriving economy.

Future Direction

Next steps and recommendations

Recommended Next Steps

- Amend BV documents, align housing and retail to market conditions
- Prepare a precise planning effort to address:
 - Specific goals for downtown sub-districts
 - Community process
 - Building prototypes that meet community's design standards and financial feasibility requirements
 - Area-wide parking, streetscape and financing strategies
- Update Circulation and Mobility Element
- Update Housing Element



Questions/Discussion